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SENATE MEMORIAL 22

46TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2004

INTRODUCED BY

Phil A. Griego

A MEMORIAL

REQUESTING THAT THE TAXATION AND REVENUE DEPARTMENT AND THE ECONOMIC DEVELOPMENT DEPARTMENT STUDY AND CONSIDER RAISING OR ELIMINATING THE THIRTY THOUSAND DOLLAR (\$30,000) CAP PER INDIVIDUAL IN THE NEW MEXICO HOMESTEAD EXEMPTION IN ORDER TO PROMOTE THE GENERAL HEALTH AND ECONOMIC WELFARE OF EVERY NEW MEXICO HOMEOWNER.

WHEREAS, filings for bankruptcy within New Mexico have risen to unprecedented levels for three straight years, increasing from eight thousand six hundred sixty-nine in 2001 to nine thousand seven hundred eighty-two in 2003; and

WHEREAS, the national economy has shown some signs of revival but has been slow to create adequate employment opportunities for many New Mexico families; and

WHEREAS, many retirees who live in New Mexico have

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1 suffered stock-market losses over the past three years, causing
2 them to file for bankruptcy, and it is desirable and beneficial
3 for retirees who live in New Mexico to have some protection
4 from economic downturns; and

5 WHEREAS, ninety percent of all bankruptcy filings in New
6 Mexico are pursuant to Chapter 7 guidelines, which require
7 filers to sell assets to creditors, and the most valuable asset
8 for most citizens is their home; and

9 WHEREAS, current state law allows only thirty thousand
10 dollars (\$30,000) worth of protection per individual per home
11 and only sixty thousand dollars (\$60,000) worth of protection
12 per couple per home, and the median price of a home in New
13 Mexico, according to the 2000 federal decennial census, is one
14 hundred eight thousand dollars (\$108,000); and

15 WHEREAS, other states, including Arizona, Florida and
16 Nevada, have homestead exemptions offering greater degrees of
17 protection than those found in New Mexico;

18 NOW, THEREFORE, BE IT RESOLVED BY THE SENATE OF THE STATE
19 OF NEW MEXICO that the taxation and revenue department and the
20 economic development department be requested to investigate
21 this growing problem and consider eliminating the homestead-
22 exemption cap per individual per home in order to promote the
23 protection of New Mexico families from economic devastation;
24 and

25 BE IT FURTHER RESOLVED that those departments make

1 recommendations regarding this situation and report their
2 findings to the president pro tempore, the majority floor
3 leader and the minority floor leader of the senate and to all
4 committee chairs for examination; and

5 BE IT FURTHER RESOLVED that copies of this memorial be
6 transmitted to the taxation and revenue department and the
7 economic development department.

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